

# HOUSE BILL 774

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CF SB 498

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By: **Delegate Griffith (Chair, Joint Committee on Pensions) and Delegates  
Aumann, Bates, Branch, Haynes, Heller, James, and Levy**

Introduced and read first time: February 5, 2010

Assigned to: Appropriations

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 11, 2010

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **State Retirement and Pension System – Reemployment Earnings**  
3 **Limitation – Exemptions**

4 FOR the purpose of increasing the maximum average final compensation that certain  
5 retirees of the State Retirement and Pension System must have at the time of  
6 retirement in order to be exempt from a certain reemployment earnings  
7 limitation; and generally relating to exemptions from a reemployment earnings  
8 limitation for retirees of the State Retirement and Pension System.

9 BY repealing and reenacting, without amendments,  
10 Article – State Personnel and Pensions  
11 Section 22–406(c)(1) and ~~(3)~~ and (3), 23–407(c)(1) and (3), and 25–403(a)  
12 Annotated Code of Maryland  
13 (2009 Replacement Volume and 2009 Supplement)

14 BY repealing and reenacting, with amendments,  
15 Article – State Personnel and Pensions  
16 Section 22–406(c)(4)(ii) ~~and~~, 23–407(c)(4)(i), and 25–403(b)(3)  
17 Annotated Code of Maryland  
18 (2009 Replacement Volume and 2009 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
20 MARYLAND, That the Laws of Maryland read as follows:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.





1 (ii) the individual's current employer is any unit of State  
2 government and the individual's employer at the time of the individual's last  
3 separation from employment with the State before the individual commenced  
4 receiving a service retirement allowance or vested allowance was also a unit of State  
5 government; or

6 (iii) the individual becomes reemployed within 12 months of  
7 receiving an early service retirement allowance or an early vested allowance computed  
8 under § 23-402 of this subtitle.

9 (3) A reduction of an early service retirement allowance or an early  
10 vested allowance under paragraph (1)(iii) of this subsection shall be applied only until  
11 the individual has received an allowance for 12 months.

12 (4) Except for an individual whose allowance is subject to a reduction  
13 as provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an  
14 allowance under this subsection does not apply to:

15 (i) an individual whose average final compensation was less  
16 than ~~[\$10,000]~~ **\$25,000** and who is reemployed on a PERMANENT, temporary, or  
17 contractual basis;

18 25-403.

19 (a) Except as provided in subsection (h) of this section, an individual who is  
20 receiving a service retirement allowance or vested allowance may accept employment  
21 with a participating employer on a permanent, temporary, or contractual basis, if the  
22 individual immediately notifies the Board of Trustees:

23 (1) of the individual's intention to accept the employment; and

24 (2) of the compensation that the individual will receive.

25 (b) (3) The reduction under this subsection does not apply to:

26 (i) an individual who has been retired for 9 years, beginning on  
27 January 1, after the date the individual retires;

28 (ii) an individual whose average final compensation was less  
29 than ~~[\$10,000]~~ **\$25,000** and who is reemployed on a PERMANENT, temporary, or  
30 contractual basis;

31 (iii) an individual who is serving in an elected position as an  
32 official of a participating governmental unit or as a constitutional officer for a county  
33 that is a participating governmental unit; or

1                           (iv) a retiree of the Correctional Officers' Retirement System  
 2 who is reemployed on a contractual basis for not more than 4 years by the Division of  
 3 Corrections, the Division of Pretrial Detention and Services, or the Patuxent  
 4 Institution in the Department of Public Safety and Correctional Services as a  
 5 correctional officer in a correctional facility defined in § 1-101 of the Correctional  
 6 Services Article.

7                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
 8 July 1, 2010.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.